



U.S. Department of Justice

United States Trustee, Region 10
Central & Southern Districts of Illinois
Northern & Southern Districts of Indiana

555 One Michigan Square Bldg.
100 East Wayne Street
South Bend, Indiana 46601

574/236-8105
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Office of the United States Trustee - Region 10
South Bend, Indiana

Monthly Report
for
Debtors-in-Possession and Chapter 11 Trustees

Each month all Chapter 11 debtors must file two copies of this report with the Bankruptcy Clerk. The report must be filed with the attached reports identified below, ready for distribution to the U.S. Trustee no later than the 15th day of the month following the end of the calendar month covered by this report.

Debtor Name: New Schonebach Dairy LLC For the month ended: March 2011

Case Number: 09-34327 Date Bankruptcy filed: Sept 8 2009

Required Documents:	Attached	Previously Submitted
1. Monthly Income Statement (P&L)	<u>L</u>	<u> </u>
2. Monthly Cash Flow Report (CF; 3 pages)	<u>L</u>	<u> </u>
3. Statement of Operations	<u>L</u>	<u> </u>
4. Other reports/documents as required by the U.S. Trustee	<u>L</u>	<u> </u>

The undersigned certifies under penalty of perjury that the information contained in this and accompanying reports is complete, true and correct to the best of my knowledge, information, and belief.

By HARRY BEKEL Dated: 4/18/2011

OWNER (Title) Debtor's telephone number 260-571-3940

Reports prepared by: LAURA (Niethe & Faupel) Accountant
(Name) & (Title)
HARRY BEKEL Owner New Sch. D.



6. List payments made to principals, executives, or insiders (this includes draws or cash withdrawals by individuals or partners, dividends, lease payments on property owned by insider, loans, gross salaries, etc.)

<u>Payee Name</u>	<u>Position</u>	<u>Amount</u>	<u>Explanation</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

7. Schedule of insurance coverage.

<u>Type of Policy</u>	<u>Expiration Date</u>
Same from last month.	Same
_____	_____
_____	_____

Has any insurance coverage either been reduced or allowed to lapse during this month? If so, explain what changes have taken place.

No.

If any insurance coverage will expire within 60 days from this report, explain what steps are being taken to renew existing policies or to acquire new insurance coverage. Provide the United States Trustee with a new certificate.

8. Schedule of changes in personnel.

	<u>Full Time</u>	<u>Part Time</u>
a. Total number of employees at beginning of this period.	<u>20</u>	<u>0</u>
b. Number hired during this period.	<u>—</u>	<u>2</u>
c. Number terminated or resigned.	<u>2</u>	<u>—</u>
d. Total number of employees on payroll at the end of this period.	<u>18</u>	<u>2</u>

(Seasonal)
→ Manure
Hauling

Oprept REV. September 3, 1992

OFFICE OF THE U.S. TRUSTEE - REGION 10

MONTHLY CASH FLOW REPORT

for the month ended March 2011STATUS OF TAXES

	BEGINNING TAX LIABILITY	AMOUNT WITHHELD OR ACCRUED	AMOUNT PAID	ENDING TAX LIABILITY
FEDERAL				
**Withholding	0	690.00	690.00	0
**FICA-employee	0	2,224.88	2,224.88	0
**FICA-employer	0	3,012.45	3,012.45	0
unemployment				
income				
other - list				
a. Subtotal	0	5,927.33	5,927.33	0

STATE AND LOCAL

withholding	2,178.56	2,178.56	2,178.56	2,178.56
sales				
excise				
unemployment				
other				
real property				
personal property				
other - list				
b. Subtotal	2,178.56		8,105.89	2,178.56

TOTAL TAXES PAID - from a. & b. above

(this sum is to be listed on page 1, as tax payments)

Explain the reason for any past due post-petition taxes:

**the beginning tax liability should represent the liability from the prior month or, if this is the first operating report, this should be zero

**Attach photocopies of IRS Form 6123 of your FTD coupon and payment receipt to verify payments or deposits.

OFFICE OF THE U.S. TRUSTEE - REGION 10

MONTHLY CASH FLOW REPORT

for the month ended March 2011

Debtor Name

New Schoonebeek Dairy, LLC

Case Number

Reconciled bank balance and cash on hand from last month
(If this is the first report, insert the cash balance as of the
petition date.)11,256CASH RECEIPTS

from cash sales/receipts
from collection of pre-petition receivables
from collection of post-petition receivables
from loans
from contributions to capital or from gifts
other receipts (itemize on a separate sheet)

693,841TOTAL RECEIPTS (Do not include beginning
bank balance)693,841CASH DISBURSEMENTS

• inventory purchases
• net payments to officers/owners
• net payments to other employees
rent payments
lease payments
mortgage or note payments
adequate protection payments
insurance
utilities/telephone
** tax payments
supplies
outside labor
travel/entertainment
*** payments to attorneys
*** payments to accountants
*** payments to other professionals
U.S. Trustee Quarterly Fee
other expenses (itemize on separate sheet)

145,4905,00036,1505026_______________24527952810010493_______________1500_____456,684

TOTAL DISBURSEMENTS

698,823

NET CASH FLOW (Total Receipts minus Total Disbursements)

(49,982)(6,274)Bank Balance and cash on hand at the end of the month
(beginning balance + cash receipts - cash disbursements)• This figure is the actual cash paid. I.e. gross payroll
less taxes withheld

** This figure comes from page 2 of this form

*** Attach a copy of the court order authorizing such payments

New Schoonebeek Dairy, LLC
Monthly Cash Flow Report - Detail of Other Expenses

<u>Other Expenses:</u>	<u>March</u>
Animal health	41,945
Bank charges	671
Bedding	7,872
Breeding	3,840
Custom hire	-
Feed	337,109
Fuel	17,191
Milk hauling	7,284
Interest	10,982
Marketing	7,419
Misc	1
Repairs	22,370
Other taxes	-
	<u>\$ 458,084</u>

OFFICE OF THE U.S. TRUSTEE - REGION 10

MONTHLY INCOME STATEMENT

As of March 2011

Debtor Name

New Schoonebeek Dairy, LLC

Case Number

INCOMECURRENT
MONTHYEAR TO
DATEGross Receipts or Sales
less: returns or allowances109,7501,856,104Cost of Goods

Beginning Inventory

Purchases

Other Costs (list)

less: ending inventory

Cost of Goods Sold

Gross Profit

Interest

Rents

Gain (Loss) from sale of property

Other Income

Total Income

109,7501,856,104GENERAL AND ADMINISTRATIVE EXPENSES

Compensation of Officers

Salaries & Wages

Repairs & Maintenance

Supplies

Bad Debts

Rents

Payroll Taxes

Other Taxes

Interest Expenses

Depreciation

Insurance

Travel & Entertainment

Utilities & Telephone

Professional & Legal

Other Expenses (Attach Schedule)

Total Expenses

Net Profit (Loss)

104,29622,87015,4935,6265,62634410,98210,0002,42279521500423,2311049,272(440,378)178,01438,78637,98815,64134435,298203,0009,51732,01433,8731,247,3971,962,107195,973

New Schoonebeek Dairy, LLC
Monthly Income Statement - Detail of Other Expenses

<u>Other Expenses:</u>	<u>March</u>	<u>YTD</u>
Animal Health	41,945	101,710
Bank charges	671	1,204
Bedding	7,872	15,050
Breeding	3,840	8,616
Custom Hire	-	4,963
Feed	337,109	1,022,896
Fuel	17,191	41,658
Milk Hauling	7,284	23,581
Marketing	7,419	27,463
Misc	-	66
	<u>\$ 423,331</u>	<u>\$ 1,247,337</u>

NEW SCHOONEBEEK DAIRY, LLC

FINANCIAL INFORMATION
MARCH 31, 2011 AND 2010

Preliminary

NEW SCHOONEBEEK DAIRY, LLC**TABLE OF CONTENTS**

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NEW SCHOONEBEEK DAIRY, LLC**BALANCE SHEETS**

	MARCH 31,	
	<u>2011</u>	<u>2010</u>
ASSETS		
CURRENT ASSETS:		
Cash	\$ 6,274	\$ 15,489
Commodity receivables	162,390	171,282
Other receivables	21,401	32,304
Feed inventory	-	131,388
Prepaid expenses	122,098	-
TOTAL CURRENT ASSETS	<u>312,161</u>	<u>350,461</u>
PROPERTY AND EQUIPMENT - AT COST:		
Leasehold improvements	160,843	160,843
Buildings	13,495	13,495
Machinery and equipment	1,110,872	1,110,872
Dairy livestock	2,640,100	3,062,136
TOTAL PROPERTY AND EQUIPMENT - AT COST	<u>4,934,310</u>	<u>4,347,346</u>
Accumulated depreciation	(851,546)	(668,930)
NET PROPERTY AND EQUIPMENT - AT COST	<u>2,982,764</u>	<u>3,678,416</u>
OTHER ASSETS:		
Loan fees - net of amortization	283	3,856
Investments in cooperatives - net of reserve	238,889	202,159
TOTAL OTHER ASSETS	<u>238,889</u>	<u>206,015</u>
TOTAL ASSETS	<u>\$ 3,533,794</u>	<u>\$ 4,234,892</u>

(Continued)

SUPPLEMENTARY INFORMATION

Preliminary

NEW SCHOONEBECK DAIRY, LLC**SCHEDULE OF FEED EXPENSE
FOR THE MONTHS AND THREE MONTHS ENDED MARCH 31, 2011**

	<u>JANUARY 31,</u> <u>2011</u>	<u>FEBRUARY 28,</u> <u>2011</u>	<u>MARCH 31,</u> <u>2011</u>	<u>YEAR TO</u> <u>DATE</u>
<u>Other Feed Purchased:</u>				
Flack Farms	\$ 57,302	\$ 57,500	\$ 55,000	\$ 169,802
Mark Deardorff	20,000	100,000	85,008	185,008
Sanimax Marketing	11,780	13,020	14,120	38,920
Sunshine Dairy	82,500	-	-	82,500
Synergy Feeds	180,708	88,817	114,728	364,249
Zeeland Farm Service Inc.	36,480	39,830	47,560	123,670
Total Feed Expense	\$ 388,788	\$ 298,967	\$ 296,414	\$ 984,149

Per Cow Information:

Average Dairy Cows on the Farm	1,608	1,544	1,427	1,528
Days in Month	31	28	31	80
Estimated Feed Per Cow Per Day	\$ 7.40	\$ 6.92	\$ 6.70	\$ 7.02

Preliminary

NEW SCHOONEBEEK DAIRY, LLC

SCHEDULE OF DAIRY LIVESTOCK
FOR THE MONTHS AND THE THREE MONTHS ENDED MARCH 31, 2011

	Beginning Balance	Purchases	Sub Total	Sales	Died	Total Cull Cows	Ending Balance
January							
Number of cows	1,530	8	1,538	(28)	(25)	(53)	1,485
Average cost	\$ 1,788	\$ 1,825	\$ 1,788	\$ 1,792	\$ 1,782	\$ 1,792	\$ 1,788
Dollar amount	\$ 2,737,170	\$ 13,000	\$ 2,750,170	\$ (50,176)	\$ (44,814)	\$ (94,990)	\$ 2,655,180
February							
Number of cows	1,485	61	1,546	(105)	(3)	(143)	1,403
Average cost	\$ 1,788	\$ 1,382	\$ 1,772	\$ 1,766	\$ 1,788	\$ 1,766	\$ 1,773
Dollar amount	\$ 2,655,180	\$ 84,900	\$ 2,740,080	\$ (185,430)	\$ (5,431)	\$ (292,561)	\$ 2,487,519
March							
Number of cows	1,403	93	1,496	(15)	(21)	(46)	1,450
Average cost	\$ 1,773	\$ 1,506	\$ 1,756	\$ 1,700	\$ 1,707	\$ 1,707	\$ 1,758
Dollar amount	\$ 2,487,519	\$ 140,090	\$ 2,627,609	\$ (26,675)	\$ (35,834)	\$ (78,509)	\$ 2,549,100
Year to Date							
Number of cows	1,530	62	1,592	(158)	(84)	(242)	1,450
Average cost	\$ 1,788	\$ 1,489	\$ 1,758	\$ 1,761	\$ 1,761	\$ 1,761	\$ 1,758
Dollar amount	\$ 2,737,170	\$ 23,895	\$ 2,975,160	\$ (278,281)	\$ (147,779)	\$ (426,060)	\$ 2,549,100

See Independent Accountant's Compilation Report.

NEW SCHOOHEBEEK DAIRY, LLC

SCHEDULE OF INCOME AND EXPENSES
PER CWT OF MILK PRODUCED AND PER COW PER DAY

NEW SCHOOHEBEEK DAIRY, LLC
FOR THE ONE MONTH ENDED
JANUARY 31, 2011

NEW SCHOOHEBEEK DAIRY, LLC
FOR THE ONE MONTH ENDED
FEBRUARY 28, 2011

NEW SCHOOHEBEEK DAIRY, LLC
FOR THE ONE MONTH ENDED
MARCH 31, 2011

Quantity of milk in cwt.
Average number of cows milked per day
Pounds of milk per cow per day
Number of cull cows
Average herd turnover rate
Average score on farm for the period
Number of days in period
Breakdown milk price
Breakdown milk production per cow per day

	AMOUNT	PER CWT PRODUCED	PER COW PER DAY	AMOUNT	PER CWT PRODUCED	PER COW PER DAY	AMOUNT	PER CWT PRODUCED	PER COW PER DAY
REVENUE FROM OPERATIONS:									
Milk	\$ 614,323	\$ 19.03	\$ 19.32	\$ 461,120	\$ 18.29	\$ 18.29	\$ 481,120	\$ 19.32	\$ 19.32
Livestock revenue	3,260	0.11	0.07	69,030	0.29	0.29	97,015	0.37	0.37
Cull cow revenue	15,117	0.53	0.30	37,577	1.54	1.54	17,839	0.81	0.81
Other income	33,518	1.18	0.57	27,577	1.13	1.13	17,839	0.81	0.81
TOTAL REVENUE FROM OPERATIONS	\$ 666,218	\$ 20.85	\$ 20.85	\$ 575,724	\$ 21.22	\$ 21.22	\$ 616,793	\$ 22.78	\$ 22.78

OPERATING COSTS AND EXPENSES:

Association	50	1.06	0.15	1.13	0.88	0.88	50	1.28	0.84
Animal health	50,140	0.02	0.01	10	-	-	37,288	0.62	0.62
Bank charges	583	0.02	0.01	10	0.05	0.05	8,131	0.31	0.31
Bedding	2,875	0.10	0.08	2,319	0.04	0.04	4,820	0.17	0.17
Breeding	4,778	0.15	0.10	1,820	0.04	0.04	78,509	2.70	1.77
Cull cow expense	94,880	0.33	1.91	252,551	10.21	10.21	-	-	-
Custom hire	8,453	0.03	0.02	4,801	0.19	0.19	-	-	-
Depreciation	5,000	0.02	0.02	15,000	0.61	0.61	16,000	0.52	0.52
Feed	3,783	0.12	0.08	298,937	12.09	12.09	288,414	10.21	10.21
Fuel	12,200	0.43	0.24	12,357	0.50	0.50	17,191	0.58	0.58
Hauling - milk	6,235	0.23	0.17	7,284	0.29	0.29	8,312	0.29	0.29
Insurance	5,511	0.19	0.11	1,584	0.06	0.06	2,422	0.04	0.04
Interest	15,758	0.56	0.32	14,551	0.63	0.63	15,928	0.55	0.55
Wages, contract labor, benefits & losses	58,645	2.09	1.20	68,063	2.35	2.35	50,531	1.74	1.74
Mortgage	5,705	0.20	0.11	4,940	0.20	0.20	6,909	0.20	0.20
Miscellaneous	-	-	-	86	-	-	290	0.01	0.01
Professional fees	-	-	-	-	-	-	-	-	-
Repairs & maintenance	11,140	0.38	0.22	22,067	0.89	0.89	23,800	0.82	0.82
Rent	58,181	2.04	1.17	57,012	2.31	2.31	56,061	1.93	1.93
Supplies	11,017	0.38	0.22	13,468	0.55	0.55	10,045	0.35	0.35
Taxes	1,750	0.05	0.04	1,845	0.07	0.07	1,500	0.05	0.05
Utilities	7,534	0.26	0.15	7,750	0.38	0.38	7,952	0.27	0.27
TOTAL OPERATING COSTS AND EXPENSES	\$ 714,533	\$ 25.95	\$ 14.35	\$ 888,088	\$ 32.59	\$ 13.64	\$ 641,740	\$ 22.89	\$ 14.51
INCOME (LOSS) FROM OPERATIONS	\$ (48,315)	\$ (5.21)	\$ (2.50)	\$ (122,338)	\$ (5.15)	\$ (2.95)	\$ (19,947)	\$ 0.89	\$ 0.44

(Continued)
See Independent Accountant's Compilation Report.

NEW SCHOOBEEK DAIRY, LLC

SCHEDULE OF INCOME AND EXPENSES
PER CWT OF MILK PRODUCED AND PER COW PER DAY

NEW SCHOOBEEK DAIRY, LLC
FOR THE THREE MONTHS ENDED
MARCH 31, 2011

NIETZKE & FAUPEL, PC DAIRY AVERAGES
FOR THE NINE MONTHS ENDED
SEPTEMBER 30, 2010

Quantity of milk in cwt
Average number of cows milked per day
Pounds of milk per cow per day
Number of cull cows
Annual herd turnover rate
Average cows on farm for the period
Number of days in period
Breastmilk milk price
Breastmilk production per cow per day

REVENUE FROM OPERATIONS:	AMOUNT	PER CWT PRODUCED	PER COW PER DAY	AMOUNT	PER CWT PRODUCED	PER COW PER DAY
Milk	\$ 1,524,717	\$ 18.74	\$ 11.83	\$ 1,622,177	\$ 17.77	\$ 10.45
Livestock revenue	72,059	0.88	0.52	82,348	0.90	0.30
Cull cow revenue	120,823	1.47	0.15	153,117	1.67	0.40
Other income	88,884	1.07	0.05	7,067	0.08	0.15
TOTAL REVENUE FROM OPERATIONS	1,806,523	23.17	13.55	1,874,709	19.28	11.30

OPERATING COSTS AND EXPENSES:

Amortization	150	0.00	0.02	7,451	0.08	0.01
Animal health	83,149	1.13	0.70	179,591	0.55	0.34
Bulk charges	1,255	0.02	0.01	4,105	0.04	0.01
Bedding	4,275	0.17	0.10	50,894	0.16	0.10
Breeding	10,738	0.13	0.08	33,251	0.10	0.06
Cull cow expenses	7,067	0.07	0.04	881,504	2.73	1.70
Custom hire	1,944	0.02	0.01	93,858	0.29	0.10
Depreciation	45,000	0.55	0.33	343,711	1.05	0.65
Feed	854,149	11.72	7.02	2,425,478	7.44	4.64
Fuel	41,658	0.51	0.30	53,387	0.29	0.19
Hauling - milk	23,822	0.29	0.17	86,581	0.26	0.15
Insurance	9,517	0.12	0.07	40,157	0.12	0.08
Interest	46,236	0.58	0.34	305,439	0.94	0.59
Wages, contract labor, benefits & taxes	160,238	2.04	1.22	503,919	1.54	0.95
Marketing	38,480	0.20	0.12	83,143	0.26	0.18
Miscellaneous	395	0.00	-	8,700	0.03	0.02
Professional fees	-	-	-	45,458	0.14	0.09
Repairs & maintenance	57,037	0.69	0.42	117,769	0.36	0.23
Rent	171,284	2.06	1.25	185,199	0.41	0.26
Supplies	34,539	0.42	0.26	156,341	0.46	0.29
Taxes	5,055	0.06	0.04	21,432	0.07	0.04
Utilities	24,278	0.29	0.18	80,224	0.29	0.19
TOTAL OPERATING COSTS AND EXPENSES	2,162,441	28.28	15.74	5,725,823	17.55	10.96
INCOME (LOSS) FROM OPERATIONS	\$ (355,918)	\$ (3.11)	\$ (1.85)	\$ (225,861)	\$ (0.71)	\$ (0.42)

See Independent Accountant's Compilation Report.

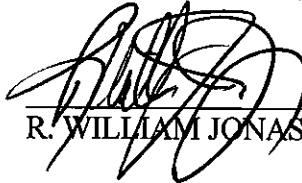
Certificate of Service

The undersigned hereby certifies that a true and correct copy of the foregoing document was served upon:

Nancy J. Gargula
One Michiana Square Building
Suite 555
100 East Wayne Street
South Bend, IN 46601-2349

Alex Edgar
100 E Wayne Street
One Michiana Square
RM 555
South Bend, IN 46601

by United States First Class Mail, postage prepaid this 19th day of April, 2011.

A handwritten signature in black ink, appearing to read 'R. William Jonas, Jr.', is written over a horizontal line.

R. WILLIAM JONAS, JR.